STATEMENT OF IMRE SZEKELYHIDI

REGARDING ETHANOL PRODUCTION AND UTILIZATION

IN THE HAWAIIAN ISLANDS

BEFORE THE

US DEPARTMENT OF AGRICULTURE

Given at the Sheraton Keauhou-Kona, Hawaii

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Good Morning, my name is Imre Szekelyhidi, an environmental consultant of 30 years experience in the solid waste industry. I speak today on behalf of my client, Pacific Waste, a locally owned municipal waste collection company serving the Island of Hawaii. While in Hawaii, I have had the opportunity to come to understand the need for alternate waste disposal practices, resulting from the scarcity of environmentally acceptable disposal locations for the continued landfilling of the Big Island's municipal solid waste. One opportunistic solution for disposing of these wastes is to utilize these wastes as a source of feedstock for conversion to Ethanol. The two primary feedstock sources for Ethanol conversion are; green waste such as agricultural Bagass and Municipal Solid Waste or MSW.

The Hawaiian Islands have a diverse economy that generates waste products from the agricultural sector and from collected residential and commercial MSW. These two sources of waste materials cost the Hawaiian Islands millions of dollars annually for their disposal in an environmentally suitable manner, such as by landfilling. By the conversion of these waste materials into Ethanol, the Hawaiian Islands have the potential to not only extend the life of their Municipal Solid Waste landfills, but create new economic opportunities. By the manufacturing of ethanol, which creates a valued commodity with numerous industrial and commercial applications.

Under the recently passed Energy Bill signed by the President into law, the Hawaiian Islands have been specifically identified as a potential beneficiary of federal funds to be utilized for the production of ethanol. Consequently, the federal government has the ability to be of great assistance to the State of Hawaii both monetarily and environmentally, while helping eliminate the disposal of these waste materials by landfill.

These funds will assist the Hawaiian Islands, which as you are aware, produce a significant volume of Bagass that is not being managed in the most economical or beneficial manner. The highest and most beneficial use is to manage the disposal of Bagass by the conversion of the Bagass into ethanol.

A very significant benefit flowing from the development of Bagass/Ethanol conversion plants is that these processing facilities will provide the economic engine to minimize the disposal of a large percentage of MSW. A further collateral benefit from the conversion of MSW to ethanol will be that existing landfill capacity will remain available to future generations.

In addition, by conversion of Bagass and MSW into Ethanol, the Hawaiian Islands can achieve greater compliance with Federal mandates to blend Ethanol in formulated gasoline's consumed in the Hawaiian Islands. The blending of ethanol into gasoline will benefit our environment by reducing automotive emissions and the emissions' impact on the quality of air that we will all breathe for generations to come.

There are at least three additionally benefits derived by the production of Ethanol from Bagass and MSW; first, ethanol can be employed as a fuel source by the Hawaiian Islands' electrical generators; second, the creation of waste to ethanol facilities will create a supply of additional permanent well-paid skilled employees, with accompanying jobs for constructing these manufacturing plants, while enjoying all of the economic ripple effects to the local economy; and third, the additional production of ethanol will help reduce consumption of petroleum by electrical generators and the necessity to import oil as a boiler fuel. This ethanol blending into boiler fuel will slow the inevitable rise in the cost of electricity to consumers in the Hawaiian Islands.

On behalf of my client Pacific Waste and the residents of the Hawaiian Islands, I wish to thank you for the opportunity to address this meeting to express my support for your initiative and in encouraging the use of this energy bill as a mechanism to convert a significant volume the Sate of Hawaii's discarded Bagass and municipal wastes for conversion into Ethanol. Any assistance to the State of Hawaii from the U.S. Department of Agriculture for the purpose of converting Municipal Solid Waste to ethanol would be a great boon to the people of the State of Hawaii. Any help you can give would be greatly appreciated.